

MINUTES

UTAH BOARD OF OIL, GAS, AND MINING

MEETING

JULY 20, 1977

WILDLIFE RESOURCES AUDITORIUM
SALT LAKE CITY, UTAH

BEFORE THE BOARD OF OIL, GAS, AND MINING

MINUTES OF THE MEETING HELD

JULY 20, 1977

* * * * *

The Utah Board of Oil, Gas, and Mining, met on July 20, 1977, in regular session at the Wildlife Resources Auditorium, 1596 West North Temple, Salt Lake City, Utah. The meeting commenced at 9:15 a.m., with Chairman I. Daniel Stewart presiding:

BOARD MEMBERS PRESENT:

I. Daniel Stewart, Chairman

Charles R. Henderson

John L. Bell

Thadis W. Box, Excused

C. Ray Juvelin

STAFF MEMBERS PRESENT:

Cleon B. Feight, Director

Patrick L. Driscoll, Chief Petroleum Engineer

Ronald W. Daniels, Coordinator of Mined Land Development

Brian W. Buck, Engineering Geologist

Scheree Wilcox, Administrative Assistant

OTHER APPEARANCES:

Veloy Adams, Energy Technology Corporation
Robert Steiner, Energy Technology Corporation

Jackson W. Moffitt, Mining Supervisor, U.S. Geological Survey

James Wardell, Surface Owner

Ralph Kotes, Mountain Fuel Supply Company

Claude Heiner, Independent Miner

Ken Holtsclaw, President, Energy Technology Corporation

✓ Tom Miller, Vipont Mine, Box Elder County

In accordance with Section 40-6-8, Utah Code Annotated, 1953, and the General Rules and Regulations and Rules of Practice and Procedure, a hearing was held on the following application; and a transcript of the testimony adduced and exhibits received has been preserved and made a part of the Division's permanent record.

CAUSE NO. 168-1: In the matter of the application of En-Tech Corporation for an order permitting an experimental in-situ coal gasification project, Carbon County, Utah.

Subsequent to the above matter, the Board's EXECUTIVE SESSION commenced at 1:00 p.m., Chairman I. Daniel Stewart presiding:

RECLAMATION CONTRACT FOR UNITED NUCLEAR CORPORATION:

As the \$107,703.00 amount of the contract for the Star Point #1 and #2 mines had been approved by the Board at their January 25, 1977 meeting, said contract was unanimously accepted and signed by Chairman Stewart.

REQUEST FOR EXEMPTION UNDER MINED LAND RECLAMATION ACT:

Mr. Tom Miller, United Silver Mines, appeared and requested that he be allowed an exemption under the Mined Land Reclamation Act and its requirements for the mining of tailings at the Vipont Mine, Box Elder County, Utah.

Mr. Miller indicated that under the definition of "Deposit" in Section 40-8-4(3) of the Act, his mining operation was not covered and as a result he would not be required to file the "Notice of Intent to Commence Mining", "Reclamation Plan" and surety. Mr. Feight agreed with Mr. Miller that this particular definition could be subject to different interpretation insofar as the term "natural accumulation" was concerned. Mr. Feight suggested that perhaps the Board would want to ask for an Attorney General's opinion as to clarification if the mining of tailings was covered under the Act.

Mr. Miller presented photographs of his operation to the Board in order that they might take note of the reclamation which would be performed through his removing the old tailings. The Board Members agreed that Mr. Miller would effectively be reclaiming the land through removing the tailings. Mr. Feight pointed out that Mr. Miller's biggest concern was the posting or obtaining of a surety bond ... he further suggested that perhaps Mr. Miller might submit a document such as a contract or personal agreement, in lieu of the bond, whereupon he would affirmatively state that the mined area would be properly reclaimed.

At this point, Mr. Ron Daniels, Coordinator of Mined Land Development for the Division, pointed out that upon commencement of mining operations adjacent to the tailings area, a provision be made that Mr. Miller follow normal procedures by filing the necessary forms and surety. Further, that the road currently in the area be made a part of his "mining plan"; and, that he be required to report the drilling of core or exploratory wells as provided for in the Act.

Chairman Stewart indicated that he felt the Board could make a decision in the matter, and that it would not be necessary to request an opinion from the Attorney General's office. Board Members Henderson, Bell and Juvelin agreed. Board Member Juvelin stated that there are many tailings/mine dumps areas throughout the state on which mining operations may eventually take place ... most notable of which would be those at the Kennecott Arthur-Magna Concentrator, and the Bingham Canyon Mine.

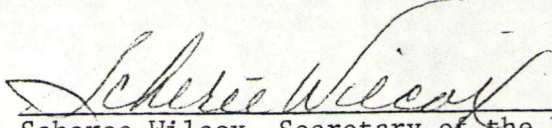
After some discussion, the Board unanimously agreed that Mr. Miller would follow the regular procedure set forth under the Mined Land Reclamation Act of 1975; that is he would file the necessary "Notice of Intent to Commence Mining" and "Reclamation Plan" for the Vipont Mine, however, the Board agreed that Mr. Miller be allowed to sign an agreement or contract describing the work already performed, and that which would be performed to properly reclaim the area in accordance with accepted reclamation standards.

Chairman Stewart pointed out to Mr. Miller that at such a time as he contemplates full mining operations on adjacent areas, it would be necessary that he follow the required procedure including the posting of a proper bond. In addition he will be asked to comply with Mr. Daniels' request relative to the road and drilling of core or exploratory holes.

Mr. Miller was in accordance with the decision and indicated he would comply with the Board's stipulations.

The meeting adjourned at 2:20 p.m.

Submitted By:


Scheree Wilcox, Secretary of the Board